

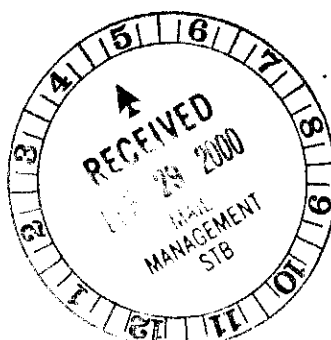


**SMOKY RIVER  
COAL LIMITED**

Main Flr., 119 Fourteenth Street NW., Calgary, Alberta T2N 1Z6  
e-mail: smokyrv@telusplanet.com  
telephone: (403) 543-7030  
telefax: (403) 543-7092

February 17, 2000

Mr. Vernon A. Williams  
Secretary, Surface Transportation Board  
Office of the Secretary  
Case Control Unit  
Attn: STB Ex Parte No. 582  
1925 K Street NW  
Washington, DC 20423-0001



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Office of the Secretary  
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Dear Sir,

Smoky River Coal Limited is a metallurgical coal producer that is a major user of rail service in Canada and occasionally in the United States. The purpose of this letter is to comment on the issues to be discussed on March 8<sup>th</sup>, 2000 in Ex Parte 582.

We encourage the Surface Transportation Board to focus on whether the proposed CN-BNSF combination is good for shippers, not on potential downstream effects. The CN-BNSF combination should be judged on its merits and if other carriers propose mergers, then these cases ought to be evaluated on their merits.

The timing of the proposed CN-BNSF combination is not the central issue for our Company. Our concern is service. Recent mergers have failed on service, not because of timing. Accordingly, the Surface Transportation Board should focus on ensuring that the CN-BNSF combination and any other future mergers, will deliver service.

The Surface Transportation Board has a comprehensive process to evaluate railroad transactions and protect the public interest. It should fairly evaluate the CN-BNSF combination according to that process. Do not let other railroads use the Surface Transportation Board process to protect themselves and not shippers.

Yours truly,

**SMOKY RIVER COAL LIMITED**

*BT Davies*

Barry T. Davies  
President and  
Chief Executive Officer

BTD/bmw

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